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ANNUAL MESSAGE

OF
ACTING-GOVERNOR PADDOCK

TO THE
LEGISLATIVE ASSEMBLY

OF THE
TERRITORY OF NEBRASKA,

AT ITS
TWELFTH REGULAR SESSION,

BEGUN AND HELD AT THE CAPITOL IN OMAHA, NEBRASKA,
THURSDAY, JANUARY 10, 1867.

WITH ACCOMPANYING DOCUMENTS.

OMAHA, NEBRASKA :
BARKALOW BROS., PUBLIC PRINTERS, BOOKSELLERS, STATIONERS, &C.

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GOVERNOR'S MESSAGE.

Gentlemen of the Council

and House of Representatives:—

The duty of submitting to you, at the commencement of your session, the annual communication from the Executive office, is devolved upon me, by the unavoidable absence of the Chief Executive of the Territory.

Since your last session, a year of unparalleled prosperity has been added to our territorial history. Our people have been peculiarly favored with health; the pestilence which respects neither power nor genius nor social distinction, which visits with mourning the houses of the rich and poor alike, has nowhere made its appearance amongst us; bounteous harvests have rewarded the labors of the husbandman; every pursuit of life, followed with the usual characteristics of good citizenship, has been remunerative; within all our borders, peace and order have prevailed; obedience to the laws has been the rule, and the transgression thereof the rare exception in the life and conduct of our people. For these and innumerable other blessings, unrecounted here, our praise and our thankofferings are due to the Great Ruler of nations and of men, who has sustained and defended us through all the varying scenes and seasons of the year.

I submit, herewith, the very interesting reports of the Auditor and Treasurer. It will be seen, by reference to the report of the Auditor, that the outstanding indebtedness of the Territory, on the 30th day of November, 1866, was \$85,471.44. The Militia Bond debt—\$36,000—is included in this statement; and, as an appropriation has already been made by Congress, to pay this debt, principal and interest, together with other miscellaneous claims for the same service, already paid by the Territory, the aggregate amount of which somewhat exceeds the appropriation by Congress; and as the accounts have been fully rendered, and are now being audited at the U. S. Treasury, with the personal attention of Governor SAUNDERS, that amount is very properly placed among the available assets of the Territory, as an offset to so much of the territorial indebtedness. The assets will therefore appear as follows:

Cash in the Treasury, - - - - -	\$23,324 56
Taxes for 1866, due and collectable, - - - - -	69,973 86
Congressional appropriation, - - - - -	45,000 00
Delinquent taxes, - - - - -	26,983 24
Total assets, - - - - -	\$165,281 66
Allowing for possible losses in delinquent taxes, - - - - -	\$10,000
For improbable disallowance of militia accounts by the Auditor of the Treasury, - - - - -	8,000
	\$18,000 00

And there remains, of undoubted assets, - - - - -	\$147,281 66
From which deduct the whole indebtedness, - - - - -	85,471 44

And there is left an available surplus of - - - - - \$61,810 22

With which to commence the present year. But, as a large proportion of this indebtedness is in bonds which have several years to run, and as it will be impossible to induce bond-holders to surrender them in any considerable amount, there will remain, at the lowest estimate, \$90,000 of available assets, with which to defray the regular and incidental expenses of the territorial government, estimated for the fiscal year, by the Auditor, at \$12,000. This calculation would yet leave a larger amount applicable to the payment of bonds and warrants than was used for that purpose last year. Thus it will be seen that a balance of \$78,000 will remain for internal improvements—admitting, if deemed advisable, of appropriations for the construction of a bridge over the Platte River, for a geological survey of the Territory, and for immigration agencies, under the auspices of the “Board of Immigration” already established. Although liberal appropriations may be made for these worthy objects, it will yet be possible to make a very considerable reduction in the rate of taxation for the ensuing year. Taking the increase in the valuation of property from 1865, when the assessments amounted, in the aggregate, to \$13,583,025, to 1866, when the aggregate reached \$17,835,851.57, as a basis for an estimate for the fiscal year 1867, and it will be readily seen that although the rate of taxation should be reduced one-fourth, it would yet produce about \$70,000. One of the items of territorial indebtedness is for warrants, many of which were issued during the first three years of the territorial government, and on which, although the principal amounts only to \$16,221.44, the interest is estimated at \$10,000. I submit, for your wise consideration, whether it would not be advisable and just towards all parties interested, to compel the surrender of these warrants on or before the first day of July, 1866, providing by law that, if not surrendered at that time, interest shall stop thereafter on all then outstanding. And I also recommend that the Territorial Treasurer may be authorised and required to advertise, as soon and as often as practicable, for the surrender of the militia bonds which bear ten per cent. interest, instead of for the seven per cent. bonds, as at present

required, to the end that all obligations bearing this heavy rate of interest may be paid as speedily as possible. The seven per cent. bonds may well be permitted to stand until maturity, or, at all events, until all others are paid. I further suggest that the rate of interest on warrants hereafter to be issued may be reduced to seven per cent. I fail to see the necessity of paying ten per cent. interest on the obligations of this Territory, which is not only not in debt, but has a constantly increasing surplus in its treasury, beyond the demands for governmental expenses. I venture the assertion that very few, if any, States or Territories can present so favorable a financial exhibit, yet very few pay so high a rate of interest even as seven per cent. This prosperous state of our finances is indeed a source of pride and satisfaction to the officers of the territorial government, as I am sure it will be to you and all other citizens of the Territory. The bonding of the territorial warrants—a duty devolved upon the Secretary's office by the act of 1860, the rapid increase in the valuation of the taxable property of the Territory, the general system of economy that has characterized the administration of each department of the territorial government, and the wise and careful management of our financial officers—the Auditor and Treasurer, have mainly contributed to this fortunate condition of things.

THE REVISION OF THE LAWS.

The revision of all the general laws now in force, which was perfected at your last session, has been published, all the organized counties of the Territory have been supplied with the number of copies to which they are entitled by law, and there yet remains a sufficient number in the hands of the Territorial Librarian to supply all requisitions from counties hereafter to be organized. To meet this anticipated demand from new counties already in process of organization, and others yet to be carved out of the vast and fertile regions of the interior, which are being rapidly settled by a constantly increasing immigration of industrious pioneers, I ordered from the public printer a much larger edition of the laws than usual. On account of the great bulk of the volume and the increased number of copies required, although the work was done at a greatly reduced rate the cost of the publication exceeded the fund set apart for that purpose, and it was found to be impossible to publish the regular journals of the eleventh session out of the Congressional appropriation. I therefore recommend an appropriation from the territorial treasury for printing five hundred copies, each, of the journals of that session. Some changes, rendered necessary by clerical errors in the preparation of the manuscript of the revision were made by the reviser, who superintended its publication; and your attention is respectfully directed to them, that the original rolls in the Secretary's Office may receive similar correction, if the changes so made are legalized. With this accomplished, we shall have as perfect and complete a Code of Laws as any State or Territory can boast, in one volume, elegantly printed and bound.

HOMESTEAD.

Under the liberal operations of the Homestead Law, large sections of our Territory have been settled, during the past year, by a class of earnest, thrifty pioneers, whose industry has contributed materially to swell the aggregate of our agricultural productions. The wise economy of this beneficent measure has been nowhere more clearly illustrated than in this Territory. Wherever the lands are subject to location, under this law, the newly made cabin of the homestead settler is found; and it is not an extravagant estimate that another year will find one-twelfth of the population of the Territory on homestead lands, and fully that proportion of our aggregate productions in the granaries of this class of our fellow-citizens. Every acre of ground thus brought under cultivation, every bushel of wheat or corn thus added to the production of the country, is so much gained to the taxable property, which is the basis of the nation's financial strength and independence. How much wiser, then, the economy which gives to productive industry the possession of the national domain free of cost, than that which disposes of it in large tracts to speculators, in whose hands it remains unoccupied and unimproved, a veritable obstacle in the way of the rapid settlement and development of the country.

In view of these considerations, I should most gladly concur with you in memorial to Congress, requesting the passage of laws: First, prohibiting any further issuing of warrants or land scrip, for any purpose whatever, except for the usual endowments to new States, or for internal improvements in the States and Territories where the lands are located. Second, forbidding the location of land warrants or agricultural college scrip on a greater amount than two sections in each township. And, third, withdrawing the Government lands from public sale, and reserving all, except those donated as before mentioned, exclusively for location under the homestead and pre-emption laws.

In this connection, permit me to call your attention to the fact that large tracts of the public lands, in different sections of our Territory, have been withdrawn from the market for the benefit of the Burlington and Missouri railroad, which has, as yet, no existence in this Territory, except in its general surveys. It seems, indeed, to be a very great hardship to the enterprising settlers in the beautiful valleys of the Neosho, the Elkhorn, and the Loup Fork, that the lands surrounding their homesteads should thus be tied up from actual settlement, for the benefit of a corporation which contemplates the construction of a railroad through a section of country far removed from their homes. I believe I express the sentiment of every citizen in the Territory when I say that all feel a deep interest in the early construction of the Burlington and Missouri railroad westward through the rich counties south of Platte. Every good citizen, however remote his place of residence from the line of this proposed road, would rejoice in its construction; but I am sure

no one—not even those whose interests are directly involved—will undertake to defend the policy of retiring lands in Richardson, Stanton, and Dakota counties to aid in its construction. It would be infinitely better for the Government, and all parties interested, if Congress would make an appropriation, and pay in money the value of the lands it cannot give them on the line of their road, on account of previous location by settlers, than to permit lands in other sections of the Territory to be taken for this purpose out of the hands of the homestead settlers, who are coming by thousands to locate upon them. In making their selections, under these munificent grants, all companies should be confined to the lands contiguous to their respective lines of road; and no lands should be retired from the market, for long periods of time, to await the construction of roads upon which the work has been nowhere commenced.

I do not doubt that if the evil effects of this baleful system of land grants were properly represented by you in memorials to Congress, some remedies for present evils might be applied; or, at all events, some barriers placed against this rapid absorption of the public domain in the future by railroad monopolists and land speculators. We need every available acre in this Territory, not already given away by the Government for the construction of railroads and agricultural colleges in other States, for our own State endowments, and for the industrious poor, who, from all sections of the Union, and from foreign countries, are coming to secure homesteads amongst us.

I am firm in the belief that if the Union Pacific Railroad, the rapid construction of which has excited the wonder and admiration of the world, could now be induced to exchange the lands obtained under its grants for the bonds of the Government, at a fair price, that the whole country would be benefited by the transaction; provided that every acre thus regained by the Government should be held exclusively for location under a homestead law, which should require every settler to cultivate at least twenty acres of timber on his homestead, the preservation of which for five years should be one of the essential conditions of obtaining the fee-simple of his land.

IMMIGRATION.

A Board of Immigration was duly organized, in accordance with the provisions of the act passed at your last session, for the encouragement of immigration to our Territory. On account of the absence of the Chief Executive, who is, *ex officio*, a member and the presiding officer of the Board, it will be impossible to give you a full history of its transactions. I am able, however, to inform you that commendable progress in this important work has already been made; pamphlets have been published in both the English and German languages, through which much information concerning the healthfulness of our climate, the character of our soil and its productions, the mineral resources of the Territory, as well as its superior facilities of communication by river navigation, and by railroads already constructed, or in process of construction, have been widely disseminated. This Board, under

the law regulating its duties, is required to make an annual report of its proceedings to the Legislative Assembly before the tenth day of its session; that report will furnish you all the information required for an intelligent consideration of this most important subject. In my opinion, however, this law should be so amended as to authorize the appointment of at least four agents, one of whom, at least, should be able to speak fluently the German language, and one the Scandinavian. A liberal appropriation should then be made for the constant employment of these agents during the present year, one of whom should be required to travel through the Western States, another to be permanently stationed at New York, and the remaining two to visit those foreign countries from which we already have the largest representations in our population. With such a system as this, and with an appropriation such as we could well afford to make, on account of the importance of the service, and the prosperous condition of the territorial finances, a very large immigration would certainly be induced. All that is necessary is to make known to those seeking homes in the West the rare inducements presented by Nebraska; and, while other States are employing similar agencies, and gaining, thereby, vast accessions to their populations, it is a palpable dereliction of duty for us to neglect the presentation of competing influences in behalf of our own Territory. True, our population has increased unprecedentedly during the past year; but, although this has been the case, the want of laborers in the various branches of mechanical industry, and in agricultural employments, has so greatly exceeded the supply, that labor has commanded more liberal rewards here than have been realized in any other section of the country. To devise means for meeting this constantly increasing demand for muscle to develop the great resources of our Territory, through a liberal system of immigration agencies, is, perhaps, the most important duty of legislation devolving upon you, and I assure you that whatever measures may seem best calculated to promote this much desired object will receive the most hearty concurrence of the Executive.

GEOLOGICAL SURVEY.

Another present and most urgent want is a Geological Survey. No argument is necessary to convince you of the necessity of immediate action on this subject. You will all unite with me in declaring that another year must not be permitted to pass without giving to us the results of a careful and thorough geological examination of this entire Territory. And I now propose to you that Nebraska shall take hold of this measure, without another word of prayer to the National Congress for aid from the already depleted Treasury of the Nation, and order a Geological Survey at once, on her own account. This course will best comport with true dignity and independence, and with our duty to our fellow-citizens and the country. I have before demonstrated our ability to do this, and not a moment of unnecessary delay in preparing for the work should be allowed.

PLATTE RIVER BRIDGE.

The construction of a bridge over the Platte river is a much needed improvement. The crossing of this stream, always difficult, is at certain seasons of the year an utter impossibility, and communication between two great sections of the Territory is for this reason extremely limited. A journey to the Territorial Capital, from some of the most populous counties south of the Platte, is considered quite as difficult to perform, on account of the dangers and delays in crossing the Platte, as one to St. Louis—five hundred miles distant—and from the north Platte the journey to Chicago is quite as cheerfully undertaken, as one across the Platte into the rich grain-growing districts below it. Such an obstacle to commercial intercourse between the two sections should be immediately removed, if it is in the power of the people to do it. It is not at all strange that with such a barrier in the way of travel and of commerce, the people of both sections should not only lose their active sympathy for and interest in each other, but that they should be easily led into misunderstandings, into jealousies, rivalries, and strife. The whole Territory would be inconceivably benefited by this improvement. The people have it in their power to accomplish it without an additional dollar of taxation; and, I think, we may during this session, very easily and very properly, fix the day for the celebration of the union of the two sections by a good and substantial free bridge over the Platte. I urge upon you, therefore, the early consideration of this important subject, with the assurance that you will have the hearty concurrence of the Executive in any well considered measure which will result in securing this great improvement to the Territory. In my opinion this bridge should be free to all who may desire to use it. If we were obliged to borrow money for its construction thereby entailing a debt upon the Territory with annual payment of interest, the case would be different; but, having the money in hand, and knowing, as we do, that the interests of all sections are involved, I think there can be no good reason offered against a free bridge. The revenues from Government toll bridges are not infrequently less than the expense of collection; and a bridge over the Platte, at best, could not be expected to yield any considerable revenue; but even if it was sure to do so, it would be more in consonance with the liberal and progressive spirit of our people to make it free to all.

THE UNION PACIFIC RAILROAD.

During the past year, the construction of the Union Pacific Railroad has progressed with unparalleled rapidity. A year ago, the utmost limit it was supposed the track would reach on the 1st of January, 1867, was Fort Kearny, 190 miles west of Omaha. That point was reached on the 1st of September, and now four regular trains run daily between Omaha and North Platte Station—a distance of 293½ miles from the initial point; and the track is complete to the 305th mile-post. The total number of miles of main track laid during the year past is 262 miles. A distance of about 240 miles

of roadway was constructed the past season, including a Howe Truss bridge, 1,505 feet in length, across the Loupe Fork, and a pile bridge of 2,640 feet across the North Fork of the Platte. Three hundred and five miles of the main line have been accepted by the Government Commissioners, who reported it as thoroughly constructed and equipped with all necessary turnouts, buildings, rolling stock, &c., of a first-class road. Beyond the end of the track, the roadway is graded 25 miles, under contract for grading to Julesburg, and definitely located to the foot of the mountains.

During the present year the road will be built with equal rapidity until it reaches the mountains, where the increased amount of labor required to prepare the roadway, will doubtless retard construction. This, however, will be in part overcome by placing a large force at work in the mountains in the early spring.

This statement is taken from the official records of the company, and is therefore perfectly authentic and reliable. It is cause for infinite gratulation to every American citizen, that this great enterprise, which is to unite two oceans, and over which is to pass the commerce of two hemispheres is so rapidly approaching completion. To our own Territory it must prove an inexhaustible mine of wealth. It is the trunk of a railway system, which is to send branches into all the beautiful valleys of Nebraska, through which pass the tributaries of the Platte and the Missouri. The great valley of the Missouri itself will have its connecting lines extending northward, through the fertile districts of Washington, Bart. Dakota, Dixon, Cedar and Leavenworth counties, and southward through the rich and populous counties of Cass, Ottumwa, Nemaha, and Richardson. Such brilliant railway prospects have very rarely, if ever, presented themselves to the people of a new State or Territory. Nebraska has a singularly bright and prosperous future opened before her. Nature has marked this spot, equi-distant from the two great Oceans, as the pivotal center of the railway system of America. God grant that the Union Pacific Railroad, which is the true base of all this prosperity, may be speedily completed to the Pacific! May it form an additional bond of Union to the States, a never failing source of pride, of glory, and of strength to the Nation, and an equal source of pride and profit to the brave and energetic gentlemen who are engaged in its construction.

EDUCATION.

Large and influential conventions, composed of representatives of the friends of education from different sections of the Territory, have recently been held, to consider the best means of conserving this most important interest. The result of their deliberations will be presented to you, and I do not doubt it will aid you in an intelligent performance of your duty in this regard. I shall gladly concur with you in any measure which the friends of education throughout the Territory may consider best calculated to render the present school system more effective. In this connection I ask your attention to the suggestion of the Territorial Treasurer, that some change

should be made in the school law which would insure a better system of accounting for school funds from the County Treasurers to the Territorial Treasurer, and a better rule for the distribution thereof than now exists.

STATE GOVERNMENT.

The question of State Government, which was voted upon by the people of the Territory during the past year, is now in the hands of the National Congress. It is impossible to form an intelligent opinion as to what may be the result of Congressional action upon this subject. Whatever may be the fate of the present measure, I do not doubt that the change would be greatly to the advantage of the people, and that a majority of them entertain the same sentiment. I shall not now undertake to review the arguments which have been so fully presented heretofore.

If it shall appear to you, at any time during your session, that the present application for admission is to fail, I shall gladly concur with you in a memorial asking for an Enabling Act, under which a Constitution may be framed and submitted to the people of the Territory during the coming season.

IMPARTIAL SUFFRAGE.

I should hail with joy a radical change in the rule of suffrage, which would give the franchise to intelligence and patriotism wherever found, regardless of the color of its possessor. He who can read understandingly the Constitution of his country, and he who has fought in its defense, of whatever race or color, should have a voice in the choice of the Nation's rulers. I should therefore cheerfully concur with you in a memorial to Congress, praying for an amendment of our organic law, in accordance with this view. No change, however should be made which would take the franchise from any person who now enjoys it under existing laws.

PEACE AND UNION.

Unhappily, the Nation has not yet experienced the full fruition of perfect peace. True, the armies of rebellion were long since disbanded, and the old flag floats over all—the same glorious ensign of one Government and one Union; but fraternal love does not return to the people of the two sections so recently arrayed against each other in civil strife. The kind offices of the peacemaker avail not, and the olive-branch is cast aside, a withered and useless thing. How can our beloved country be re-united in fact as well as in form? How can the Union be securely re-established in the hearts and affections of the people of all sections?—for the patriotic love of the people is the soul of the Union, its preservation is essential to the very life of the Nation itself. I do not think this can be done by indulging the spirit of crimination and recrimination for the errors, the weakness, or the crimes of the past. I do not believe it can be done by depriving eleven States of *loyal* representation in the National Congress, when representation is the very germ and essence of union. It certainly cannot be done by extreme and irritating demands on the one side which are sure to be followed by increased

contumacy on the other. I fear it will never be done by Constitutional amendments containing what are considered impossible requirements by those most deeply interested. But, in whatever way it is to be done, it must be done speedily. Evils, disasters, and ruin wait not for the termination of prolonged contentions in a house divided against itself. The energies, the productive industry of the South are paralyzed by the incertitude of its political situation. This unsettled condition of affairs not only intensifies the feeling of hatred for the Government and for the Union there, but it seriously affects the commercial prosperity of the whole country. Every motive of patriotism and every consideration of political economy demands an immediate termination of this unhappy condition of things. If the Constitutional amendment will not only not accomplish this, but if, on the contrary, it threatens to perpetuate hatreds, strife, and discord, it should be abandoned at once, whatever sacrifices of cherished political dogmas or partisan prejudices are involved. However wise, just, and necessary the guaranties sought to be obtained by this amendment may now appear to be, if they can only be secured by the entailment upon the Union of the eternal hostility of eleven States, they will certainly prove a source of sorrow and of trouble to the Nation. Only that which will win back the hearts of the southern people will give stability and enduring peace to the Republic. If the Constitutional amendment will do this, and do it speedily, I will cheerfully unite with you in giving to it a cordial endorsement.

In conclusion, permit me to assure you that I shall most earnestly co-operate with you in every endeavor to promote the varied interests of our Territory. Whatever measures may commend themselves to your wisdom and judgment, as best calculated to promote the general welfare, will receive my most cordial approval.

Permit me to wish you a pleasant sojourn at the territorial Capital, and after the labors of the session are terminated, a happy return in safety and in health to your families and friends.

ALGERNON S. PADDOCK.

TERRITORIAL TREASURER'S REPORT.

OFFICE OF TERRITORIAL TREASURER, }
OMAHA, N. T., January 1st, 1866. }

HIS EXCELLENCY, A. S. PADDOCK,

Acting Governor of Nebraska:

Dear Sir:

In accordance with the law, I have the honor to submit herewith to the Legislative Assembly, a report of the operations of my office for the fiscal year ending November 30th, 1866.

The condition of the treasury is highly satisfactory, and suggests the expediency of using the funds which now promise to accumulate in my hands, in the extinguishment of our Territorial debt.

The bidding for the surrender of 7 per cent. bonds in February last was not at all spirited, and resulted, as in years past, in obtaining a rate of discount but slightly under par. The amount surrendered was \$2,950, at a discount of \$70.25, something less than 2½ per cent.

The General Government has by enactment reimbursed the Territory for the expenditures represented in our ten per cent. militia bonds, and as it is very probable that these bonds will soon be paid into the Treasury, the question will be presented to the Legislature of disposing of them to the best advantage. Financial wisdom would suggest, and it also seems peculiarly fit and proper that these bonds should be used in the extinguishment of the debt they represent.

I would recommend this course, and believing that annual advertisements for proposals for the surrender of bonds at par or under would not conduce to the desired result, as the periods intervening are too long, I would suggest instead that so soon as the funds are received, the Treasurer be directed to advertise in the Territorial papers, and also in one or more papers in New York City, that he is prepared to redeem the bonds at par and interest, provided they are presented within a specified period.

Upon an easy money market, it is not probable that many of the bonds would be surrendered upon these terms, being held by capitalists as a good investment; but upon a stringent market, which we all know usually occurs more than once during the course of a year, it is highly probable that our bondholders would realize upon their bonds at par, if in their power; and at such times we might be able to retire the greater proportion of them.

The same course would also seem proper with our seven per cent. bonds, for the redemption of which our present sinking fund was created. The condition of this fund is as follows:

Sinking fund on hand,		\$14,210 72
Levy of 1866 to be collected,		26,753 78
Total,		\$40,964 50
Am't of 7 p'c. bonds outstanding,	\$2,550 00	
Estimated interest on the same,	1,500 00	
“ “ 10 p'c. bonds,	3,700 00	\$25,750 00

Excess of fund,	\$15,214 50
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It thus appears that during the current year, the Treasury will be in a condition to redeem from the proper fund the whole of this class of obligations. A considerable amount of the bonds may be surrendered at the bidding of next month. I would recommend that so soon as in funds, the Treasurer be directed to advertize for the surrender of the remainder at par and interest, in the same manner as indicated for the ten per cent. bonds.

The balance of our Territorial debt is represented in Auditor's warrants, bearing ten per cent. interest, and payable out of the general fund. The condition of this fund is as follows:

General fund on hand,		\$ 9,113 84
Levy of 1866 to be collected,		44,589 62
Total,		\$53,703 46
Warrants outstanding,	\$ 16,221 44	
Estimated interest,	10,000 00	
Estimated expenditure current year,	12,000 00	\$38,221 44

Excess of fund,	\$15,482 02
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This statement shows that the warrants may also all be redeemed the present year. During a greater portion of the past year I have paid warrants whenever presented, and a large amount has been cancelled; but I believe it will now be necessary for the Legislature to adopt some measure to *force* their surrender, which can be legally done without violating in the slightest manner the rights of our creditors. The Legislature can enact, that, after a reasonable future period, say one year or less—interest shall cease on all Treasury warrants.

The remaining subject to which it is my duty to call your attention is the condition of the school fund, and I regret to state that on account of the imperfection of the law providing for its disbursement, it is entirely out of my power to furnish any information in regard to it. The apportionment is regularly made by the Treasurer, as required by law; but this seems a mere form. As the law authorizes the County Treasurer to *retain* their pro rata of funds collected on this account, it follows that nothing is ever paid into the Treasury. The county Treasurers make no report to the Territorial officers of the disbursement of the fund, and therefore so far as official information goes, the whole of the school fund for years past may yet be in the hands of the County Treasurers. The law requires them to make report in detail to the Auditor, but either no occasion for the report occurs, or it is found impracticable to make it—at all events no reports are received.

There is no subject which so much demands the serious consideration of the Legislature as this. Next to the faithful performance of a State's obligations

to its creditors, nothing is a source of such great pride to its people as the having of an efficient public school system. Many of our citizens are at this time taking an active interest in the matter, and their combined wisdom in convention, which I understand will shortly assemble, will probably place before the Legislature before its adjournment the glaring deficiencies of our present system and propose such changes as experience has proven in other States the most effective for the end desired.

One thing, however, is evident—the school fund should be paid into the Treasury, and disbursed under the regulations of the Legislature, by the Auditor, as all other funds are disbursed. It is only in this way that we can preserve a record of its transactions, and furnish satisfactory statistics.

The following is a statement of the operations of this office from the date of my last report to the end of the fiscal year November 30th, 1866:

GENERAL FUND.

RECEIPTS.

From committee on acc't Taxes	\$35,198 87
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DISBURSEMENTS.

Warrants rendered,	\$ 19,959 52	
Interest on same,	4,300 91	
Certificates rendered	197 63	
Refunded Cedar Co., for taxes paid in error,	66 60	
Overdrawn by last report	1,560 37	\$26,085 03

Balance on hand,	\$ 9,113 83
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SINKING FUND.

RECEIPTS.

On hand last report,	\$ 3,804 58
From Counties for Taxes,	18,482 48
Discount on Bonds surrendered,	70 25

Total,	\$22,357 31
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DISBURSEMENTS.

Warrants for collecting revenue,	\$ 69 30	
Interest paid on 7 $\frac{3}{4}$ c. bonds,	1,587 29	
“ “ 10 $\frac{3}{4}$ c. “	3,500 00	
Bonds surrendered,	2,950 00	
Taxes refunded Cedar Co., paid in error	40 00	\$ 8,146 59

Balance on hand,	\$14,210 72
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Respectfully submitted,

A. KOUNTZE, *Treasurer*

OFFICE TERRITORIAL AUDITOR AND SCHOOL COMMISSIONER, }
OMAHA, N. T., December, 1866. }

To His Excellency, A. S. PADDOCK, Acting-Governor of Nebraska :

SIR :—I have the honor to present my Annual Report, showing the operations of this Department of our Territorial Government for the fiscal year ending November 30th, 1866.

I am, Sir, very Respectfully,
Your Obedient Servant,
JOHN GILLESPIE,
Territorial Auditor and School Commissioner.

REPORT OF THE AUDITOR AND SCHOOL COMMISSIONER.

OFFICE OF TERRITORIAL AUDITOR AND SCHOOL COMMISSIONER, }
OMAHA, N. T., December, 1866. }

To the Honorable, the Legislative Assembly of the Territory of Nebraska:

I have the honor to present my Annual Report showing the operations of this department of our Territorial Government for the fiscal year ending November 30th, 1866:

It affords me great pleasure to present such a favorable report of the finances of our Territory. It will be seen that if we succeed in getting the forty-five thousand dollars from Government, reimbursing the Territory on account of militia expenses, with the cash in hand, the taxes due for 1866, and the delinquent taxes due from the several counties, that we will be able to pay off an outstanding indebtedness and have a large balance in the Treasury.

I will state that a full abstract of expenses incurred by the Territory on account of militia expenses, has been forwarded to Washington, and the accounts are now being adjusted.

Statement "A" exhibits the receipts and disbursements up to date of report, viz: November 30th, 1866.

Statement "B" exhibits the amounts of warrants drawn, and indebtedness created through the Auditor's Office for the fiscal year.

Statement "C" exhibits the whole amount of liabilities and resources of the Territory. In the statement of resources I have included the amount of forty-five thousand dollars appropriated by the Government at its last session to the Territory, on account of militia expenses.

Statement "D" exhibits the whole amount received from the several counties on account of taxes for the several years, with amounts of penalty and interest collected.

Statement "E" exhibits the amount of the principal of taxes yet due the Territory from the several counties, on account of the several years from 1857 to 1866.

Statement "F" exhibits a full abstract of assessment in the Territory for the year 1866, as returned to this Office.

Statement "G" exhibits a comparison of the assessments in the Territory from 1859 to 1866, showing an advance in *material* wealth. It will be seen that the valuation of 1865 was \$13,563,025.00, whilst that of 1866 is \$17,-

835,881.77, showing an increase over the previous year of \$4,272,856.57—not including railroad capital, which is, at present, an item of considerable magnitude in the Territory.

With a view to the financial condition of our Territory, and the large influx of emigration constantly arriving, and the large amount of lands being entered—and thereby subject to taxation—it will justify the "Territorial Board of Equalization," in my judgment, to reduce the rate levied for Territorial tax, unless the Legislature deem it expedient to engage in the building of public improvements. I would suggest an appropriation to finish the Representative Hall in the Capitol, and to put up railing around the stairway; also to finish up the smaller rooms necessary for the accommodation of committees, &c.

ESTIMATE OF APPROPRIATION FOR THE ENSUING YEAR.

For Salary of Auditor,	-	-	-	-	-	\$1000 00
" " Treasurer,	-	-	-	-	-	400 00
" " Adjt.-Gen.,	-	-	-	-	-	300 00
" " Librarian,	-	-	-	-	-	400 00
Legislative Expenses,	-	-	-	-	-	2000 00
Office Expenses, Auditor's Office, Fuel, Stationery, Postage, &c.,	-	-	-	-	-	200 00
" " Treasurer's " " " " "	-	-	-	-	-	100 00
" " Librarian's " " " " "	-	-	-	-	-	200 00
Revenue Books and Blanks	-	-	-	-	-	2000 00
Preparing lists of Land Entered,	-	-	-	-	-	200 00
Executive Department.	-	-	-	-	-	400 00
Penitentiary Expenses,	-	-	-	-	-	2000 00
Insane	-	-	-	-	-	2750 00
Insolvent " Auditor's Office,	-	-	-	-	-	100 00
Desk for Auditor's Office,	-	-	-	-	-	25 00
						\$11,925 00

I have overdrawn the appropriation for Insane, for the year 1866, five hundred and sixty-nine 57-100 dollars. We have sent to the Iowa Hospital six patients, at an average cost of \$213 each; besides the quarterly accounts rendered by the superintendent for food and clothing, the account for the fourth quarter has not been received at this office, which will be about six hundred dollars to be provided for. The several accounts have been approved by the Governor, and warrants issued in accordance with the same.—I have made my estimate for the year 1867 at \$2,500, believing it will be sufficient, as most of the patients in the Territory have been sent the present year.

I have consulted with Mr. A. DeHone in charge of the Territorial prisoners, for the maintenance of the same, to include the 20th day of September, 1866, in accordance with Section 303, "Criminal Code," there being no general appropriation made for the year, 1866. I would respectfully request that you fix, by law, a stipulated price per week, or day, to be paid by the Auditor for the board of convicts, and that you make the appropriation of \$2,000 added for in my estimate that I may draw on the same quarterly—thereby relieving the Auditor of unnecessary embarrassment.

I would recommend that you abolish the *duplicate* Tax Receipt as now required by law, and that the stub of the receipt take the place of a duplicate. The issuing of a duplicate receipt is superfluous, and the abolishing of

the same will be an item of saving to the Territory. I would also recommend that the *duplicate* Cash Book, as required by law to be kept by the County Clerk, be abolished as unnecessary. The printing of the same is quite an item of expense.

I would suggest that the Auditor be authorized to confer with other States and procure the best forms for books and blanks pertaining to the collection of our revenue. I believe it would be a great advantage to our revenue officers to have our cumbersome forms exchanged for those more simple, and most adapted to our growing wants. This can be done by conferring with, and having the benefit of, the experience of older States in the collection of their revenue funds.

INSURANCE DEPARTMENT.

The following named Companies have filed statements in this Office and received "Certificates of Authority" to transact business in this Territory, in accordance with the laws of Nebraska relative to Insurance Companies:

STATEMENTS FILED IN THE AUDITOR'S OFFICE.

PHENIX INSURANCE COMPANY, Hartford, Conn.

AGENTS.

David H. McLaughlin, Brownville, N. T. D. H. Wheeler, Plattsmouth, N. T.
James Sweet, Nebraska City, " H. T. Clarke & Bro., Bellevue, "
Stuck & Yost, Omaha, N. T.

ARCTIC INSURANCE COMPANY, of New York.

AGENTS.

Hamilton & Murphy, Omaha, N. T.

HOME INSURANCE COMPANY, of New York.

AGENTS.

N. S. Harding, Nebraska City, N. T. J. L. Carson, Brownville, N. T.
J. H. Kellom, Omaha, " J. N. Wise, Plattsmouth, "

ÆTNA INSURANCE COMPANY, of Hartford, Conn.

AGENTS.

Chas. G. Dorsey, Brownville, N. T. Frank Murphy, Omaha, N. T.
D. R. Hall, Falls City, " D. H. Wheeler, Plattsmouth, "
James Sweet, Nebraska City, " C. H. Gere, Pawnee City, "

AMERICAN INSURANCE COMPANY, of Freeport, Ill.

AGENT.

J. L. Lovett, Asst.-Gen. Agent, Columbus, N. T.

NORTHWESTERN INSURANCE COMPANY, of Decorah, Iowa.

AGENTS.

John Mosher, Assistant General Agent for Nebraska.

Cooper & Hays, Omaha, N. T. Mathis & Son, Plattsmouth, N. T.
T. K. Freeman, Kearney City, " D. W. Rowles, Bellevue, "*LORILLARD FIRE INSURANCE COMPANY, of New York.*

AGENT.

John H. Kellom, Agent at Omaha, Nebraska.

NORTHWESTERN MUTUAL LIFE INSURANCE CO., of Milwaukee, Wis.

AGENTS.

John B. Croxton, Nebraska City, N. T. Wm. L. Thomas, Plattsmouth, N. T.
M. B. Knowles, Omaha, N. T.*THE ACCIDENT INSURANCE COMPANY, of Columbus, Ohio.*

AGENTS.

E. H. Rogers, Fremont, N. T. Wm. W. Wardell, Neb. City, N. T.
E. H. Cooper, Omaha, " C. A. Sperce, Columbus, "
John W. Marshall, Plattsmouth, " — Brockmire, Brownville, "*EQUITABLE LIFE INSURANCE COMPANY, of New York.*

AGENT.

John H. Kellom, Agent at Omaha, Nebraska.

PHOENIX FIRE INSURANCE COMPANY, of New York.

AGENTS.

Hamilton & Murphy, Omaha, N. T. A. J. Harding, Nebraska City, N. T.

MANHATTAN INSURANCE COMPANY, of New York.

AGENTS.

Hamilton & Murphy, Agents at Omaha, Nebraska.

SECURITY FIRE INSURANCE COMPANY, of New York.

AGENT.

William J. Hamilton, Agent at Omaha, Nebraska.

SCHOOL DEPARTMENT.

The following named Counties have made partial returns to this office of the workings of the School Department, some of which merely report the enumeration of youth, viz., Cedar, Cummings, Dixon, Dakota, Dodge, Gage, Johnson, Merrick, Otoe, Pawnee, Richardson, Sarpy and Washington. I find it very difficult to obtain a full report of schools through the County Clerks of the several Counties. The main cause of failure is the unsatisfactory distribution of our school fund. It should be paid into the Territorial Treasury and there apportioned to the several Counties upon the ratio of youth reported, making the distribution of school funds dependent upon the promptness of returns, and attendance upon schools.

Owing to the fact that an adjourned convention of the friends of school interest, throughout the territory, meets in Omaha previous to the convening of the Legislature, to confer with your honorable body relative to the interests of our public schools, I will make no suggestions, but hope that a better understanding, and more complete plan of organization will be effected to carry out and secure the development of our public schools.

With a proper and judicious care of our School Lands we can have the best permanent School Fund of any State in the north-west—a fund that can be made inexhaustible. The disposition of our school lands is a matter that will be left to the people after we have assumed a State government—the School Lands being public property and will necessarily interest all.

I will however recommend that an appropriation of five hundred dollars be made for the printing of school blanks to be furnished each County from this office. It will materially simplify, as well as systematize, the duties of the several officers as contemplated in the law.

Respectfully submitted,

JOHN GILLESPIE,
Territorial Auditor and School Commissioner.

STATEMENT "A."

GENERAL FUND RECEIPTS.

Receipts from Counties,	\$35,198 89
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DISBURSEMENTS.

Auditor's warrants redeemed,	\$19,959 52	
Interest on same,	4,300 91	
Certificates Redeemed,	197 63	
Taxes refunded Cedar Co. for year 1866.	66 60	
Overdrawn last report,	1,560 37	\$26,085 03
 Balance on hand		 \$ 9,113 86

SINKING FUND RECEIPTS.

On hand last report	\$ 3,804 58	
Receipts from Counties,	18,482 48	
Discount on Bonds Redeemed,	70 25	\$ 22,357 31

DISBURSEMENTS.

Bonds redeemed,	\$ 2,950 00	
Interest paid on 7 $\frac{3}{8}$ % Bonds,	587 29	
" " 10 $\frac{3}{8}$ % "	3,500 00	
Warrants redeemed	69 30	
Taxes refunded Cedar Co. for 1865,	40 00	\$ 8,146 59
Balance on hand,		\$ 14,210 72

STATEMENT "B."

Accounts allowed and warrants drawn since the date of last report, December 21st, 1865, to November 30th, 1866, inclusive.

By WILLIAM E. HARVEY, Auditor,

From December 20th to December 31st, 1865 (inclusive).

Revenue Expenses—

General Fund,	\$127 67	
Sinking Fund,	38 05	\$165 72

Salary Expenses—

Territorial Librarian,	\$100 00	
Adjutant General,	75 00	
Auditor and School Commissioner,	110 00	
Territorial Treasurer,	200 00	

Armory Expenses—

Robert S. Knox,	\$ 4 75	
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Library Expenses—

Robert S. Knox,	\$ 38 10	
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Office Expenses—

A. Kountze	\$ 7 00	
W. E. Harvey,	16 50	
W. E. Harvey,	39 50	
Barkalow & Bro's.	21 50	
W. E. Harvey,	1 83	\$ 86 33

Books and Blanks, Revenue—

Henry L. Harvey,	\$357 85	
Porter & Duel,	57 07	
L. C. Coroles,	381 60	\$796 52

General Fund—

W. E. Harvey, 374 12 \$1,950 54

By JOHN GILLESPIE, Auditor,

From January 1st, to November 30th, 1866 (inclusive.)

On Account of Legislative Expenses.

William E. Harvey, Chief Clerk of the Council,	\$ 200 00	
George May, Chief Clerk of the House,	200 00	
A. H. Burke, Engrossing Clerk of the Council,	160 00	
S. F. Burch, Engrossing Clerk of the House,	160 00	
O. T. B. Williams, Enrolling Clerk of the Council,	160 00	
A. F. Harvey, Enrolling Clerk of the House,	160 00	
Philo Judson, Fireman of the Council,	120 00	
George Medlock, Fireman of the House,	120 00	
Ernest Stang, Page of the Council,	75 00	
Albert VanCamp, Page of the Council,	75 00	
Thomas Johnson, Page of the House,	75 00	
D. Meyer, Page of the House,	75 00	
Rev. Henry W. Kuhns, Chaplain of the Council,	60 00	
Rev. Wm. H. VanAntwerp, Chaplain of the House,	60 00	
Henry P. Duel, Ass't Enrolling Clerk of the Council,	160 00	
E. Estabrook, for assisting Revising Committee,	200 00	
John Gillespie, Ass't Engrossing Clerk of the Council,	76 00	
Samuel Coe, Ass't Engrossing Clerk of the Council,	8 00	
M. McCoy, Ass't Engrossing Clerk of the Council,	60 00	
Charles P. Burkett, Ass't Engrossing Clerk of the House	60 00	
Christian Lurk, Sergeant at Arms, for services in attend- ing committee,	18 00	
Extra help, under the certificates of Com. of Enrolling,	75 00	
Conrad Schaffer, for translating the Governor's Message to German,	50 00	\$ 2,407 04

On Account of Salaries.

John Gillespie, salary as Auditor and School Commissioner,	\$900 00	
John Gillespie increase of pay after July 1st, 1866 (per revised statutes,	50 00	
Territorial warrant No. 3 "C," general fund	75 00	
" " " 38 " "	75 00	
" " " 40 " "	75 00	
" " " 41 " "	100 00	
" " " 69 " "	50 00	
" " " 80 " "	75 00	
" " " 90 " "	75 00	
" " " 97 " "	75 00	
" " " 108 " "	75 00	
" " " 128 " "	200 00	
" " " 149 " "	74 00	\$949 00
Unexpended balance,	\$ 1 00	

Augustus Kountze salary as Ter'l Treasurer,						
Territorial warrant No. 100 "C," general fund	200	00				
" " " 142 " " "	200	00	400	00		
Robt. S. Knox salary as Adjutant General.						
Territorial warrant No. 84 "C," general fund	150	00				
" " " 143 " " "	150	00	300	00		
Robert S. Knox salary as Librarian,						
Territorial warrant No. 85 "C," general fund	200	00				
" " " 144 " " "	200	00	400	00	2,049	00

Executive Department.

William Rowitzer, Ter'l warrant No. 79 "C" general fund	287	20				
Alvin Saunders, " " " 95 " " "	30	16				
H. D. Hathaway, " " " 96 " " "	15	00				
G. H. Gere, " " " 153 " " "	55	00				
St. A. D. Balcombe, " " " 152 " " "	12	00	399	36		

On Account of Armory Expenses.

Robert S. Knox, Territorial warrant No. 81 "C." general fund	9	75				
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On Account of Immigration.

"An Act to create a Board of Immigration, and to encourage immigration to Nebraska,"	2000	00				
Thomas L. Griffey, Treasurer Territorial warrant No. 78 "C." general fund,	2,000	00				

On Account of Militia Expenses.

Noble R. Hays, Territorial warrant No. 30 "C" gen. fund	\$300	00				
Wm. Shellinger " " " 50 " " "	13	00				
William Rattan, " " " 51 " " "	186	25				
Levi Anthony, " " " 53 " " "	30	00				
Jacob Shaw, " " " 54 " " "	15	00				
Albert Tawle, " " " 55 " " "	5	00				
O. P. Mason, " " " 59 " " "	18	75				
O. P. Mason, " " " 60 " " "	16	60				
W. J. Dunn, " " " 62 " " "	402	00				
Charles Buss, " " " 63 " " "	450	00				
A. G. White and W. H. Raper, " " " 64 " " "	75	00				
Samuel Dimmick, " " " 70 " " "	45	00				
William F. Fowler, " " " 89 " " "	50	00				
Porter and Duel, " " " 93 " " "	12	50				
B. F. Fergusson, " " " 127 " " "	100	00				
James H. Barlow, " " " 152 " " "	150	00				
M. J. Mumford, " " " 156 " " "	15	00				
D. J. McCann, " " " 157 " " "	200	00	2,048	10		

Library Expenses.

William F. Kiter, Territorial Warrant No. 52 "C" gen. fund	32	00				
William H. Vischer, " " " 72 " " "	11	75				
Robert S. Knox, Territorial warrant No. 82 "C," gen. fund,	17	35				
G. V. Bunker, " " " 150 " " "	16	00				
R. S. Knox, " " " 154 " " "	99	00				
R. S. Knox, " " " 155 " " "	9	35	185	45		

Unexpended balance, \$36 55

Revenue Books and Blanks.

L. C. Cowels, Territorial warrant No. 35 "C," gen. fund,	155 55	
Carter, Hussey & Curl, " " " 88 " " "	475 70	
Carter, Hussey & Curl, " " " 94 " " "	25 40	
John Gillespie, " " " 99 " " "	10 95	
Balcombe & Co., " " " 102 " " "	286 00	
St. A. D. Balcombe, " " " 104 " " "	21 00	
St. A. D. Balcombe, " " " 151 " " "	35 00	1,409 60
Unexpended balance,	\$90 40	

OFFICE EXPENSES.

Auditor's Office—

Territorial warrant No. 26 "C" general fund,	55 81
" " " 29 " " "	5 00
" " " 39 " " "	19 19
" " " 48 " " "	20 00
" " " 56 " " "	25 00
" " " 57 " " "	25 00

Treasurer's Office—

Territorial warrant No. 101 "C" general fund,	50 00	200 00
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On Account of Adjutant General's Office.

R. S. Knox, Territorial warrant No. 83 "C" general fund,	21 25
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Penitentiary Expenses for 1865.

Thomas L. Sutton Territorial warrant No. 42 "C" gen. fund	47 50	
Thomas L. Sutton, " " " 43 " " "	100 00	
Thomas L. Sutton, " " " 44 " " "	154 00	
Thomas L. Sutton, " " " 45 " " "	120 00	
Andrew Dellone, " " " 24 " " "	22 50	444 00

Unexpended balance, 50

Penitentiary Expenses for 1866.

Andrew Dellone, Territorial warrant No 109 general fund	541 75
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On Account of Insane for 1866.

Iowa Hospital, 1st quarter wt. No. 58 "C," general fund,	319 55	
W. G. Glasgow, " " 61 " " "	273 70	
Otoe County, " " 73 " " "	273 05	
Iowa Hospital 2nd quarter wt. No. 86 "C," general fund,	381 75	
Israel Swihart " " 92 " " "	179 75	
Thos. Christophersen, " " 98 " " "	172 35	
C. W. Seymour, " " 103 " " "	180 00	
Iowa Hospital, 3rd quarter, " " 120 " " "	590 07	
E. S. Reed, " " 145 " " "	13 85	
E. S. Reed, " " 146 " " "	13 00	
V. C. Utley, " " 139 " " "	172 50	2,569 57

Overdrawn the appropriation " " " \$569 57

On Account of the Deaf and Dumb 1866.

E. H. Hall, Territorial warrant No. 114 "C" general fund,	30 25
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General Fund Office Expenses.

George R. Smith, postage, Territorial warrant No. 87 "C," gen. fund,	16 79
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Bounties on Wolves and Wild Cats Killed.

A. Ceastetter, warrant No. 110 "C," general fund,	10 75	
Joel T. Griffin, " " 111 " " "	5 25	
D. R. Holt, " " 117 " " "	8 00	
R. B. Presson, " " 131 " " "	4 00	
William Rigly, " " 134 " " "	2 75	
William Guy, " " 137 " " "	6 00	
William Adair, " " 147 " " "	23 25	60 00

Revenue Expenses.

Peter Yenal, Treas'r Cedar Co. Fees & mileage wt. No. 46 'C,'	3 86	
Peter Yenal, " " " " "	47 " 41 64	
J. B. Cox, Burt, " " " "	65 " 10 44	
J. B. Cox, " " " "	66 " 33 37	
J. K. Ish, Douglas " " " "	67 " 54 94	
J. K. Ish, " " " "	68 " 136 29	
D. R. Holt, Richardson, " " " "	74 " 184 90	
D. R. Holt, " " " "	75 " 112 35	
D. R. Holt, " " " "	77 " 25 00	
V. Kummer, Platte, " " " "	112 " 72 98	
V. Kummer, " " " "	113 " 44 45	
D. R. Holt, Richardson, " " " "	115 " 53 20	
D. R. Holt, " " " "	116 " 56 44	
C. J. Nighhardt, Seward " " " "	118 " 5 84	
C. J. Nighhardt, " " " "	119 " 28 56	
John A. Goodlett Otoe, " " " "	123 " 242 00	
John A. Goodlett " " " "	123 " 95 00	
M. S. Reeves, " " " "	124 " 321 07	
M. S. Reeves, " " " "	125 " 196 93	
J. K. Ish, Douglas, " " " "	126 " 521 15	
Jonas Hacker, Nemaha, " " " "	129 " 417 59	
R. B. Presson, Johnson, " " " "	130 " 91 55	
G. P. Thomas, Burt, " " " "	132 " 74 72	
Alvara Davis, Dixon, " " " "	133 " 42 56	
Alex. Reed Tr. Washinton " " " "	134 " 266 43	
V. Kummer, Platte, " " " "	135 " 69 75	
David Leach, Sarpy, " " " "	136 " 249 28	
William Guy, Lancaster, " " " "	138 " 46 55	
William Adair, Dakota, " " " "	140 " 124 20	
Peter Yenal, Cedar, " " " "	141 " 52 43	
Theron Nye, Dodge, " " " "	148 " 116 18	\$3,791 97

RECAPITULATION—GENERAL FUND.

By W. E. HARVEY, Auditor.

Revenue Expenses,	\$165 72	
Salaries "	485 00	
Armory "	4 75	
Library "	38 10	
Office "	86 33	
Books and Blanks,	796 52	
General Fund,	374 12	\$1,950 54

By JOHN GILLESPIE, Auditor.

Legislative Expenses,	\$2,407 00	
Salaries,	2,049 00	
Executive Department,	399 36	
Armory Expenses,	9 75	
Immigration,	2,000 00	
Militia Expenses,	2,084 10	
Library "	185 45	
Revenue Books and Blanks,	1,409 60	
Office Expenses,	200 00	
Adjutant General's Department,	21 25	
Penitentiary Expenses, 1865,	444 00	
" " 1866,	541 75	
Insane "	2,569 57	
Deaf and Dumb,	30 25	
General Fund,	16 79	
Bounties,	60 00	
Revenue Expenses,	3,791 79	\$18,219 66
Total General Fund Warrants drawn to November 30th, 1866:		
By W. E. Harvey, Auditor,	\$ 1,950 54	
" John Gillespie, "	18,219 66	\$20,170 20

STATEMENT "C."

OUTSTANDING INDEBTEDNESS.

Seven per cent. Bonds Outstanding,	\$20,550 00	
Interest on Same (estimated),	800 00	\$21,350 00
Ten per cent. Bonds Outstanding,	36,000 00	
Interest on Same (estimated),	1,900 00	37,900 00
Warrants Outstanding,	16,221 44	
Interest on Same (estimated),	10,000 00	26,221 44
Total,		\$85,471 44

RESOURCES.

Cash on Hand,	\$23,324 56	
Taxes due for 1866,	69,973 86	
Delinquent Taxes due from Counties,	26,983 24	
Due from Government	45,000 00	\$165,281 66
Resources,		\$165,281 66
Liabilities,		85,471 44
Amount over Liabilities,		\$69,810 22

STATEMENT "D"---General Fund.

Showing the whole amount of money received into the Territorial Treasury, Principal, Penalty, and Interest, on account
Taxes from Dec. 21st, 1865, to Nov. 30th, 1866.

	1859		1860		1861		1862		1863		1864		1865		
COUNTIES.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Total.
Burt			01	01	2 16	56	1 96	25	2 92	1 00	23 47	4 79	368 22	4 26	410 61
Cedar			7 26		5 24	22	5 18	66	6 57	68	80 91	1 49	108 11		158 87
Cumming											74 00				74 00
Cass					6 15		23 44		145 00		475 82		3346 93		3997 84
Dixon													107 62		107 62
Dakota													645 84	5 16	651 00
Douglas	28 27	7 77	46 34	4 82	32 22	7 08	31 62	4 92	93 42	1009	4162 51	7 94	5436 62	6 15	9879 78
Dodge					1 10		4 32		5 41		41 37		609 64		661 87
Gage			5 17		4 42		1 05		2 09		28 96		43 26		84 96
Johnson							20		2 39		14 81		435 30		480 76
Lancaster											29 02		178 93		207 95
Nemaha											2264 01	20 64	3075 65	79 70	5441 77
Otoe			51 56	28 35	46 43	37 62	40 13	82 61	84 96	42 04	2357 39	137 77	4771 60	102 43	7792 99
Platte					10 96		4 52		37 75		110 82		664 79		828 84
Pawnee											9 62		463 54		473 16
Richardson			6 38		2 89		12 58		7 76		45 06		2306 11		2380 76
Sarpy					1 55		12		2 09		291 38		1520 45		1826 79
Seward	1 20												55 13	2 26	58 39
Washington	5 04	3 04	13 00	6 75	11 77	5 51	19 69	7 32	24 91	6 70	85 86	13 76	1434 19	26 36	1664 14
															\$35198 87

AND SCHOOL COMMISSIONER.

STATEMENT "D"---Sinking Fund.--(Continued.)

32

COUNTIES.	1860		1861		1862		1863		1864		1865		
	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	Prin.	P. & I.	
Burt			2 10	50	1 1	00	1 94	60	9 40	1 00	221 94	2 58	245 60
Cedar					1 4	55	1 31	41	2 33	47	63 92	97	71 53
Cumming											38 53		38 53
Cass			5 84		12 7		149 73		98 90		2015 88		2282 81
Dixon											68 01		68 01
Dakota											388 01	3 08	391 09
Douglas	6 20	4 60	22 94	3 00	15 76	7 24	68 52	3 06	673 83	7 49	3258 28	3 56	4072 66
Dodge			1 68		4 18		4 43		18 63		368 55		397 47
Gage					62		1 25		17 44		98 16		45 47
Johnson					12		1 25		7 90		233 56		242 88
Lancaster									5 20		117 40		117 60
Nemaha			7 24	2 97	10 68	3 81	26 95	9 66	76 53	10 85	1761 55	43 80	1905 44
Otoe			19 41	8 72	21 97	8 58	29 32	8 89	70 75	14 15	2347 45	60 19	2396 63
Platte			18 69		30 53		44 83		40 30		396 00		530 55
Pawnee									3 85		282 80		286 65
Richardson	13 70		45		8 57		4 63		19 96		1390 02		1408 04
Sarpy			52		66		95		431 66		948 40	10 66	1308 01
Seward											33 66	1 34	35 00
Washington			7 84	3 67	13 20	4 00	16 52	4 44	84 48	5 57	861 79	15 78	908 19
													\$18482 48

REPORT OF THE AUDITOR

Statement "E."

Showing the amount of General Fund due the Territory from the several Counties..

	1859	1860	1861	1862	1863	1864	1865	
COUNTIES.	Prin	Prin	Prin.	Prin.	Prin.	Prin.	Prin.	
Burt			63 71	21 63	29 52	209 88	109 14	493 88
Cedar	23 19		17 82		44		66 83	108 02
Cumming					1 91	1 66	43 14	46 11
Cass		42 26	8 00	23 44			1020 14	1088 84
Dixon			40 58	1 30	42 64	112 02	111 44	307 98
Dakota			247 23	132 45	83 27	46 19	43 12	558 31
Douglas			421 95	352 51	586 61	977 42	1244 23	3582 72
Dodge		4 96	13 47	17 95	25 42	73 61	237 15	372 56
Gage			63 96	71 61	43 77	24 06	245 46	448 86
Johnson			13 41	44 10		76 84	88 10	222 45
Lancaster						9 41	107 63	117 04
Nemaha						105 84	1128 56	1334 40
Otoe			575 58	510 20	597 25	902 42	1479 06	4961 54
Platte	71 84					43 02	194 72	309 58
Pawnee		7 11	34 71	24 47		117 09	90 20	273 58
Richardson		39 29	242 89	271 29	219 50	406 35	535 55	1714 84
Sarpy	225 20		72 38	80 72	71 52	60 15	193 37	706 34
Seward							13 27	13 27
Washington	276 79		172 43	25 47	18 61	78 97	320 40	992 67
Jones						17 00	55 37	72 35
	599 96	93 62	1953 05	1577 17	1720 55	3351 33	7343 66	16668 34

Statement "E,"—[Continued.]

Showing the Amount Due the Territory from the Counties on Account of Sinking Fund.

COUNTIES.	1860	1861	1862	1863	1864	1865	
Burt		63 71	36 30	18 88	81 77	61 47	262 13
Cedar		32 10	8 93	91			41 94
Cumming				1 27	37	26 28	27 92
Cass						604 71	604 71
Dixon		28 45	1 22	7 97	44 90	68 43	150 97
Dakota		231 85	91 01	49 99	18 48	28 91	420 24
Douglas		379 66	255 55	373 75	381 23	753 82	2149 02
Dodge		90 62	19 13	17 03	30 43	139 52	226 73
Gage		45 58	46 41	29 14		147 08	268 21
Johnson		70 00	85 43	38 38	38 39	91 78	323 96
Lancaster					60 13	59 54	119 67
Nemaha		108 05	66 35	86 21	74 21	814 18	1149 00
Otoe		659 17	293 49	400 72	368 44	902 95	2624 77
Platte		36 71			15 47	119 58	171 76
Pawnee		31 11	14 53		46 84	49 43	141 92
Richardson		145 12	151 67	141 76	164 84	395 65	999 04
Sarpy		56 36	54 33	27 87	41 55	84 21	264 32
Seward						7 40	7 40
Washington		227 55	27 37	14 08	33 34		302 84
Jones					6 83	51 99	58 82
		2136 04	1151 72	1207 96	1410 22	4403 06	10314 90

STATEMENT "F."

Abstract of Assessments for the Year 1866:

COUNTIES.	Acres of Land		Value of Town Lots.	Amount Invested in Merchandise.	Vint Invested in Manufactures.	Am't Inv't in Stocks & Shares.	Money and Credit.	Taxable Household Furniture.	Horses.		Neat Cattle.	
	No.	Value.							No.	Value.	No.	Value.
Burt	51,502	\$185,117	\$26,615 00	\$3,960	\$1,600		\$6,320	\$250	517	\$42,888	1,895	\$37,822 00
Cedar	12,670	25,340	1,774 00	800	4,800		435		86	8,145	670	15,065 00
Cumming	8,567	23,218	448 00	1,000	2,170		3,852	50	101	8,200	890	15,382 00
Cass	221,716	1,108,660	202,762 00	150,691	27,791	7,500	122,210	8,761	2,510	198,250	8,527	198,485 25
Dixon	15,438	80,872	8,335 00	2,800	1,860		2,693		128	8,280	650	15,112 50
Dakota	57,606	126,488	52,213 00	5,150	120		4,316	50	249	23,620	2,199	41,938 00
Douglas	173,185	866,225	1,919,197 00	644,759	25,970	105,350	189,713	32,305	1,487	111,525	2,907	90,837 75
Dodge	84,920	242,760	19,057 00	25,150	1,450		20,881	500	344	25,800	1,390	32,065 00
Gage	19,169	38,338	10,118 00	4,425	160	100	17,799	90	407	35,500	1,907	43,102 00
Johnson	45,992	116,072	6,740 00	1,850	1,500		12,827		555	23,200	1,820	32,400 00
Lancaster	22,626	66,315	1,015 22	2,688	1,700		8,802	273	328	20,125	1,253	25,060 00
Merrick				360			1,160	25	98	7,858	458	7,907 00
Nemaha	206,289	826,796	183,615 00	103,790	18,602	1,225	80,75	7,197	2,024	151,800	6,271	146,500 75
Osage	232,990	1,163,495	999,357 00	459,898	37,011	16,855	287,931	30,119	2,224	166,600	8,206	191,125 00
Platte	63,215	189,615	7,580 00	17,911	3,506	3,670	14,416	200	421	31,575	1,813	39,000 00
Pawnee	55,007	201,015	14,800 00	12,750			12,790		651	57,705	2,881	56,240 00
Richardson	258,411	762,399	79,220 00	35,827	2,255	1,254	53,668	840	2,035	132,025	7,889	125,910 00
Sarpy	127,037	538,060	52,040 00	13,285	725	900	13,135	325	918	72,365	3,217	72,725 00
Seward	10,711	30,190		1,260	4,260		750		106	7,668	311	6,844 00
Washington	135,925	471,968	46,754 00	9,300	9,030	219	32,294	428	820	65,960	3,156	67,917 00
	1,593,594	\$7,288,892	\$3,778,699 32	\$1,493,653	\$142,742	\$16,473	\$906,324	\$53,014	16,379	\$1,218,835	58,800	\$1,290,610 25

Statement "F,"—[Continued.]

COUNTIES.	Mules and Asses.		Sheep.		Swine.		Carriages.		All Other Property not Enum- erated.	Total Valuation.
	No.	Value.	No.	Value.	No.	Value.	No.	Value.		
Burt	22	\$2,315	100	\$ 255 00	517	\$ 1,962	211	\$ 9,513	\$ 3,986	\$ 321,361 00
Cedar	2	200	347	667 50	90	37	60	2,502	570	62,448 50
Cumming	3	210	211	633 00	107	606	86	3,990	2,257	62,221 00
Cass	254	25,400	2,963	7,407 50	2,414	12,070	909	52,912	16,317	2,129,037 75
Dixon	4	285	403	806 00	95	285	51	1,120	45	69,318 50
Dakota	16	1,450			282	1,128	163	5,942	4,934	267,402 00
Douglas	893	89,300	1,293	3,232 50	477	2,385	1,017	78,915	595,906	4,737,320 25
Dodge	32	3,200	200	400 00	151	755	159	12,246	3,645	399,859 00
Gage	43	3,870	635	1,587 50	290	1,260	201	10,892	7,025	172,867 50
Johnson	22	1,980			365	1,465	204	7,823	1,498	217,462 00
Lancaster	20	2,315	635	1,587 50	182	915	161	6,256	3,475	180,548 50
Merrick	2	100			37	185	30	1,970	100	19,352 00
Nemaha	203	16,270	2,750	6,875 00	2,680	10,720	726	28,126	29,400	1,621,479 75
Otoe	716	74,600	4,506	11,265 00	1,266	6,230	1,362	101,819	50,668	3,594,285 00
Platte	30	3,080			201	913	165	9,023	6,888	417,785 00
Pawnee	42	3,200	1,550	3,875 00	618	3,316	242	11,050	2,853	395,739 00
Richardson	113	9,393	1,059	2,037 00	3,379	8,571	624	35,427	10,827	1,625,839 00
Sarpy	68	5,785	140	302 00	559	2,226	365	21,205	9,290	831,781 00
Seward	9	735			53	818	45	2,325	72	54,842 00
Washington ..	57	5,068	526	1,131 00	765	3,052	418	20,728	10,768	742,913 00
	2,681	\$251,663	17,318	\$42,872 00	14,529	\$63,686	7,209	\$131,479	\$762,323	\$17,835,881 75

STATEMENT "G."

Abstract Showing the Increase of Material Wealth in the Territory of Nebraska, from 1859 to 1866:

	1859	1860	1861	1862	1863	1864	1865	1866
Number of Acres of Land	763,931	1,066,552	1,538,150	1,431,134	1,547,300	1,634,573	1,640,172	1,808,594
Value of Lands	\$3,538,571	\$4,664,198	\$3,618,143	\$3,418,275	\$4,213,352	\$4,793,582	\$5,967,000	\$7,288,862 00
Value of Town Lots	\$2,588,750	1,873,520	1,393,419	1,319,814	1,189,822	1,583,688	2,529,000	3,778,680 32
Amount Invested in Merchandise	\$82,500	271,952	176,500	166,843	264,500	532,510	1,042,602	1,463,563 00
Amount Invested in Manufacture	\$17,360	39,002	36,676	33,748	81,792	75,045	126,984	142,742 00
Amt. Invested in Stocks and Shares	\$287,540	*183,524	*153,033	*147,537	*234,190	*252,914	14,696	46,688 00
Amount of Money and Credits							658,231	906,324 00
Taxable Household Furniture	22,847	103,362	53,747	46,110	54,603	25,567	53,876	83,014 00
Number of Horses	3,687	3,800	4,608	5,925	7,082	9,373	12,864	16,379
Value of Horses	\$270,683	\$196,387	\$240,480	\$19,798	\$263,600	\$379,316	\$1,011,025	\$1,216,665 00
Number of Neat Cattle	12,830	17,900	20,399	25,610	23,700	42,400	54,573	58,810
Value of Cattle	\$247,914	\$239,629	\$271,615	\$234,539	\$413,111	\$640,856	\$1,198,176	\$1,290,610 25
Number of Mules and Asses	173	127	270	389	423	678	1,427	2,581
Value of Mules and Asses	\$15,072	\$18,270	\$20,250	\$19,724	\$33,091	\$57,400	\$173,978	\$251,563 00
Number of Sheep	1,347	1,480	2,072	1,218	1,018	3,000	12,000	17,318
Value of Sheep	\$1,919	\$2,509	\$3,384	\$1,187	\$200	\$10,000	\$43,681	\$42,873 00
Number of Swine	7,437	11,607	17,143	19,295	24,755	21,170	15,462	14,580
Value of Swine	\$17,507	\$24,212	\$27,590	\$25,801	\$31,621	\$25,313	\$41,957	\$63,688 00
Number of Carriages and Vehicles	491	666	1,023	1,874	3,530	4,461	5,940	7,200
Value of Carriages and Vehicles	\$95,989	\$82,665	\$71,831	\$10,857	\$126,557	\$160,800	\$330,076	\$428,270 00
Value of Property not Enumerated ..	234,600	198,462	206,325	253,500	182,290	178,808	378,022	762,332 00
Total Valuation for each Year	\$7,584,184	\$7,117,591	\$6,368,247	\$6,080,963	\$7,175,204	\$9,078,117	\$13,543,025	\$17,836,991 57

*Includes Money and Credits.